

**ABSTRACT**

Manufacturing method of the present invention comprises the steps of a conductive layer forming process for forming conductive layer 4 on outer periphery 2 and end surfaces 3 of substrate 1, a coil portion forming process for forming coil portion 7 having conductor 5 and groove 6 by cutting spirally the conductive layer 4, an etching process for etching the substrate 1 having the coil portion 7 formed thereon; an insulation resin coating process for forming outer coating 8 by coating a surface of the conductive layer 4 with insulation resin 13; and an electrode forming process for forming electrodes 9 at both ends of the coil portion 7, and for making electric contacts between electrodes 9 and the conductive layer 4. A chip inductor having a flattened mounting surface of the outer coating is obtained when insulation resin layer 8 is formed by an electrodeposition in the insulation resin coating process. The chip inductor can be securely mounted to a circuit board.

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